

VZCZCXRO2771
OO RUEHLH RUEHPW
DE RUEHIL #0239/01 0351338
ZNY CCCCC ZZH
O 041338Z FEB 09
FM AMEMBASSY ISLAMABAD
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1294
INFO RUEHBUL/AMEMBASSY KABUL PRIORITY 9758
RUEHLO/AMEMBASSY LONDON PRIORITY 9570
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 4387
RUEHKP/AMCONSUL KARACHI PRIORITY 0983
RUEHLH/AMCONSUL LAHORE PRIORITY 6680
RUEHPW/AMCONSUL PESHAWAR PRIORITY 5604
RUEKJCS/SECDEF WASHINGTON DC PRIORITY
RHWSMRC/USCINCCENT MACDILL AFB FL PRIORITY
RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 ISLAMABAD 000239

SIPDIS

E.O. 12958: DECL: 02/04/2019

TAGS: [PREL](#) [PGOV](#) [PTER](#) [PK](#)

SUBJECT: PAKISTAN'S GOVERNMENT STABILIZES

REF: LAHORE 9

Classified By: Anne W. Patterson, for reasons 1.4 (b)(d)

11. (C) Summary. Despite media speculation and rumor, PM Gilani's government is now stable, and President Zardari's position is now secure. Nawaz Sharif may be the most popular leader in Pakistan, but Zardari has added the Muttahida Quami Movement, soon perhaps to be joined by the Pakistan Muslim League, to the federal government's ruling coalition. Short of assassination, we see no likely way to remove Zardari from power. Zardari's efforts to have Nawaz disqualified from holding public office may provoke some street demonstrations, but we have no evidence that the Army wants to step in and oust Zardari from power. To the contrary, Chief of Army Staff General Kayani insists he wants the civilian government to succeed, and he dislikes Nawaz more than he distrusts Zardari. End Summary.

12. (C) Post has noticed an increase in media and other reporting about "President Zardari's shaky government," an assessment that is based on some misconceptions about how the political process works in Pakistan. Zardari is unquestioningly Pakistan's most important civilian decision-maker. Dual hatted as both head of state and Co-Chair of the Pakistan People's Party (PPP), he was elected to a five year term that began in September 2008. The PPP-led government is officially led by Prime Minister Gilani, who enjoys a majority in parliament. If Gilani's government were to fall, however, this would not trigger Zardari's departure as either head of state or PPP leader.

13. (C) There are four ways to remove a president in Pakistan: (1) assassination; (2) resignation; (3) impeachment by a two-thirds majority of the parliament; and, (4) a military coup. There is always the possibility of assassination, which would prompt a major political upheaval. All other possibilities, however, to remove Zardari from the presidency in the near future are much less likely to occur. Musharraf resigned in 2008 when it became clear he was going to be impeached; the Nawaz Sharif-led opposition has nowhere near the votes to support an impeachment, not one opposition party is even discussing impeachment, and Zardari is not about to resign from the presidency. In fact, unlike previous presidents in Pakistan's history, Zardari's political hand is strengthened because he retains both the PPP chairmanship and the GOP presidency: the largesse controlled by the latter keeps party factions (so far) in check.

14. (C) Historically, the Army repeatedly has stepped in to

replace civilian governments that are inept, corrupt or cannot control the law and order situation. The latest conspiracy theory suggests that the Army will intervene to quell pro-Nawaz street demonstrations, timed to coincide with the Senate elections (originally scheduled for March 9 but now moved to March 4), the March 9 lawyers' "long march," and a possible court disqualification of Nawaz's ability to run for public office. Zardari does plan to support court action to have Nawaz disqualified because of his hijacking/corruption convictions, and that will likely prompt demonstrations, but not even Nawaz's PML-N is sure of a big turnout (Reftel).

15. (C) We have no evidence, however, that Chief of Army Staff General Kayani is interested in ousting Zardari. Quite the contrary, Kayani has told Post repeatedly that he wants the civilian government to succeed; while he questions Zardari's ability to govern, Kayani does not want to take on the headaches of Pakistan's current economic and security challenges. In addition, he dislikes Nawaz Sharif more than he distrusts Zardari. Kayani knows if the Army were to instigate a coup, followed by new elections, this would likely bring Nawaz Sharif's party to power.

16. (C) After Nawaz withdrew from the coalition, Prime Minister Gilani presided over a minority government. During that time, the opposition never challenged the government through a no-confidence vote, probably because Nawaz knew that Gilani would have received the support of Musharraf's Pakistan Muslim League (PML) party, whose leaders are bitter rivals of Nawaz, and the Karachi-based Muttahida Quami

ISLAMABAD 00000239 002 OF 002

Movement (MQM) party, which strongly opposes Nawaz. Last week, Zardari succeeded in bringing MQM into the central government, thus expanding the ruling coalition's votes by 25 seats and making the Gilani government a majority again. Zardari is in negotiations with the PML on a power sharing deal that would oust Shahbaz Sharif from control of Punjab and possibly bring PML (and its 54 National Assembly seats) into the central coalition as well. If that is successful, Zardari and his coalition partners would control the National Assembly, the Senate (after March elections), and all four provinces.

17. (C) It is true that Zardari's approval ratings have dropped (to about 20%) in comparison with those of Nawaz Sharif (83%). Zardari's low rating is largely because of the government's perceived failure to tackle the critical issues confronting ordinary Pakistanis, including continuing high food and fuel prices, pervasive electricity outages, and high unemployment. Absent a popular election, however, these numbers do not automatically translate into political change, and Zardari is not about to call for new parliamentary elections under the current circumstances.

Longer Term Problems for PPP

18. (C) Since Nawaz does not have the numbers to bring down the government, he is using traditional opposition tactics of appealing to the street. He and a few small religious conservative parties are exploiting economic discontent and have taken the high moral ground in demanding that Zardari abide by his pre-election promises to restore the deposed judiciary and shift power from the president back to the prime minister. Over time, Nawaz's strategy is to woo Zardari's coalition partners away in an eventual vote of no-confidence, but the opposition bench is left almost empty when/if the PML joins the ruling coalition. Even Nawaz's opposition leader in the parliament, Chaudhry Nisar, recently told A/DCM that he thinks the PPP will be in power for a few more years. This leaves Nawaz free to criticize while the PPP takes the tough decisions needed to restore the economy and security.

19. (C) Zardari, in contrast, is relying on political machinations to engineer shifting leadership alliances. While this puts the PPP ahead in the short term, the party is losing popularity to Nawaz in the long term. Nawaz is busy re-building grassroots party structures and expanding his base to include former PPP supporters, like the lawyers' movement. So far, Zardari--who kept the PPP leadership role for himself--has not re-energized his party leadership in the wake of Benazir's assassination. There are internal grumblings that Zardari is personally choosing the PPP slate for indirect Senate elections in early March. Zardari, it seems, is gambling that U.S. and other international assistance will help produce an economic recovery that will restore his sagging popularity.

PATTERSON